

## Message

**From:** Peter Graham [peter.graham@celsius.network]  
 on behalf of Peter Graham <peter.graham@celsius.network> [peter.graham@celsius.network]  
**Sent:** 3/15/2022 4:03:39 PM  
**To:** Rodney Sunada-Wong [rodney.sunada-wong@celsius.network]; Tat Chan [tat.chan@celsius.network]  
**Subject:** Topics

Hi Rodney,

Issues are material misstatements on AMA, Twitter Spaces, potentially interviews. Twitter Spaces are recorded and posted to the YouTube by third parties, we cannot edit these.

I believe that regulatory has underestimated the risk of these forums to Celsius.

With respect to misrepresentations, this is defined under federal securities law as:

Statements are material if reasonable investors *would consider truthful disclosure of the information significant in making their investment decisions.*

Sciencer is established where representations or opinions are given *without basis and in reckless disregard of their truth or falsity.*

(SEC v. Kenton Capital, Ltd., 69 F. Supp. 2d 1 (D.D.C. 1998))

Here is a selection of recent misrepresentations made by Alex and other Celsius reps on Twitter Spaces AMAs:

**Dec 12 Twitter Spaces:**

**Loans v Assets is very low; Crypto is Low Risk (Zach):**

And the coins that are collateral are pooled with the other assets and being re hypothecated, like a normal, any other coin that you hold in the wallet. **So it's really just a question of the security of Celsius overall, our practices, our backing, the amount of loans versus the assets we have is very low.** So it's not an issue like that. And traditionally, securities lending company, which is effectively what we're doing, but in **crypto have been very low risk.**

**Our investors value CEL token at market price (Alex):**

Right. So we, you know, if you're not sure about it, well, how about some of the world's best investors? coughing up \$750 million. **What did they buy? They bought into half of all the CEL tokens out there. What is the biggest asset that they bought into the biggest asset the Celsius has today is our treasury, which is mostly CEL token. So they're happy to buy into the the current price, right?**

**We are diversified (Josh):**

I'll just add that our risk team is pretty on point. And any exposure to any individual asset or income stream is at a very low percentage.

**Feb 22 Twitter Spaces:**

**We Don't Use Leverage (Alex):**

We're not a bank. Right? We don't have a bank charter and we're not allowed to? Oh, yeah, **we don't have leverage**. It's not like we can go to the Fed and borrow money or, or borrow money from other banks like banks do every day. All right. So it's a completely different system. Banks are leveraged on average, either 10 times or 20 times depending on the balance sheet. **And Celsius doesn't have any leverage, right? I mean, we, we have a little bit of leverage, because we sometimes lend out the collateral we get from third parties. So it's maybe again, instead of 1.0, it's 1.2 or something like that [...]** Now other people give leverage, you know, like, you can go and finance and get whatever 20 to 150 to one FTX all these other places, you can't get any of that on Celsius, right? The bet the most you can borrow as a retail user is 50%. Meaning I've twice the assets of 200% of assets. Right? Or 0.5%. Leverage. Right, find me a bank that operates at 0.5. You know, half of their they have twice as much assets as loans on the retail side.

**Mar 4 YouTube AMA (Comment Deleted Post-Broadcast)**

You can use rewards explorer to prove that what we give you actually came from third parties and that's what is part of our proof of community effort to show you that **Celsius does not rely on subsidies or does not kind of try to create some kind of monkey business where stuff comes from other investors.**

(In fact our NIM has been negative for months).

**Mar 8 Twitter Spaces AMA****No Concerns about Tether (Alex)**

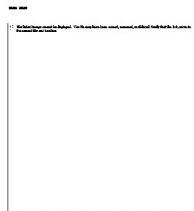
I think Tether is important, but I don't see any issues with Tether. I know that a lot of people keep spreading FUD and problems and this and that I can tell you that again Tether has been investigated so many times right CFTC and SEC and Southern District and states and foreign government and and this and that and every time after years of investigation, sometimes they find sometimes they get anything but nothing right and this is after full whole disclosure when a regulator calls and says hey send me all the information you send them all the information so **I think if there was anything to worry about it would have come up already now.**

**Mar 11 YouTube AMA (Comments Deleted Post-Broadcast)****Our Counterparties are the biggest names on Wall Street (Alex)**

We're squeezing the **largest guys on Wall Street**. We're squeezing them. They don't like it believe me they hate paying us that yield right and then we take most of it and deliver it to you.

(We in fact have no large Wall Street counterparties, Alex often repeats this line).

This email omits forward looking statements about the value of CEL, financial advice given by Alex,



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